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Advertising Age

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Campbell ups budget 15%

By Judann Dagnoli

Campbell Soup Co. will boost its marketing and advertising budget 15% during fiscal 1990, starting in August, said Herb Baum, Campbell USA president.

H. Baum

The company is also reorganizing its soup units and developing new marketing and advertising strategies for several brands, Mr. Baum said.

Promotional and marketing spending will get the bulk of the increase—about 10%—while media spending is expected to rise 5%, he said.

With the increase, Campbell's ad budget will hit $247 million in fiscal 1990, according to *Advertising Age* estimates.

Much of the new support will go behind Campbell's core soup business, with an emphasis on the expanded introductions of four new products. That emphasis will kick off this fall, when soup advertising is traditionally one of the strongest ad spending categories.

The new products include the $13 million national rollout, via BBDO Worldwide, New York, of Souper Combos frozen soup-and-sandwich combinations; the continued expansion of a ramen noodle soup; the Midwest introduction of ready-to-serve Campbell Microwave soup; and the launch of Chunky Microwave soup into Midwestern markets.

The ramen soup will be introduced under one of two brand names: Noodle Nest, which was used in test markets last year, or Campbell Ramen Soup. It will be handled in-house by CSC Advertising, Camden, N.J.

The Campbell Microwave soup, previously assigned to red-and-white soup agency Backer Spielvogel Bates, New York, is now also handled by CSC. Chunky Microwave, first introduced in Milwaukee, is handled by Chunky agency BBDO.

Mr. Baum said Campbell is continuing its "back-to-basics" strategy, begun last year, in which fewer new products were introduced and support swung to older, more-established product lines, such as Swanson frozen dinners and V-8 vegetable juice. The strategy resulted in positive share gains for every company business line this fiscal year, he said.

Campbell is trying to recover from continued flatness in the nearly $2 billion condensed

(Continued on Page 78)

P&G's olestra: fat city for Ayer?

By Laurie Freeman

N W Ayer has the inside track on Procter & Gamble Co.'s olestra business, an ad account that could be huge, industry sources say.

P&G sources say Ayer, brought in on a consulting basis on olestra, will be named agency of record for the fat substitute but not before P&G wins U.S. Food & Drug Administration approval. The FDA's decision is still several years away, observers say.

The company is already working with New York-based Ayer on preliminary marketing plans for olestra.

P&G, Kraft General Foods Group and NutraSweet Co. all have fat substitutes awaiting FDA approval. The market for these substitutes —which would spur the creation of new low-calorie salty snacks, ice cream and other products— is expected to trigger big ad budgets, greater than even sugar substitutes (AA, June 26).

For example, NutraSweet spends $25 million a year promoting the NutraSweet brand name, via Ogilvy & Mather, Chicago. But the P&G olestra account would dwarf that, many say, because it could cover not only olestra itself but products made with olestra.

P&G spokesman Don Tassone said no formal agreement has been made with any P&G agency for the olestra assignment, nor is there any guarantee Ayer would win the account.

But a source close to the company said, "It would be pretty rude [of P&G] to pull the rug out from under them now. It's considered a done deal."

A P&G source noted Ayer is "helping us think through and evaluate potential marketing strategies and opportunities. This is a new ingredient, and it requires wiping the slate clean and thinking about it [without] prejudices and preconceived notions."

Industry observers say they believe P&G will advertise olestra in much the same way that Monsanto Co.'s NutraSweet subsidiary advertises NutraSweet. Monsanto promotes the brand name, and companies that use NutraSweet as an ingredient also include that fact in advertising.

"We expect P&G to launch a consumer ad-

(Continued on Page 78)

Exec shakeup at Kraft GF boosts Mayer

By Julie Liesse Erickson and Judann Dagnoli

Management changes at Kraft General Foods Group appear to be the latest blow to the former General Foods Corp., which has been struggling with a myriad of problems ever since Philip Morris Cos. merged it with Kraft last February.

Following the resignations of two key executives, Kraft General Foods on Friday named former Kentucky Fried Chicken Corp. Chairman-CEO Richard P. Mayer president of its General Foods USA unit and James M. Kilts president of Kraft USA.

Named Kraft senior VP-strategy and development last year, Mr. Kilts, 41, was a member of the transition team responsible for integrating Kraft and General Foods in the wake of Philip Morris' acquisition of Kraft.

James Kilts rises from senior VP-strategy and development to Kraft USA president.

Christina M. Freitag

Richard Mayer leaves Kentucky Fried Chicken to head General Foods USA.

Mr. Mayer, 49, began his career with General Foods in 1962 before joining Heublein in 1973. He joined KFC (then owned by Heublein) in 1977 and was named chairman-ceo in 1982.

Mr. Mayer is succeeding Miles Marsh, 41, who resigned as president of General Foods USA and is moving to Chicago-based Whitman Corp., parent of Pet Inc. and Midas Muffler.

Mr. Kilts is replacing Ervin Shames, 49, who resigned as Kraft USA president. Mr. Shames, a 20-year veteran of General Foods who took over as Kraft's chief after the merger, plans "to pursue career op-

(Continued on Page 80)

LAST MINUTE NEWS

IBM taps Lintas:Coco

ARMONK, N.Y.—IBM named Lintas:Ceco Communications, Warren, Mich., as first agency to develop retail tactical marketing programs. Its estimated capitalized billings could reach $15 million to $20 million. Lintas:New York handles advertising and Lintas:Muir Cornelius Moore, New York, handles direct marketing for IBM's personal computers.

J&J moves sweetener to Lintas

NEW BRUNSWICK, N.J.—Johnson & Johnson moved its new sugar substitute, Sucralose, to Lintas:New York from Lowe Marschalk, New York. Approval for Sucralose's use is pending before the U.S. Food & Drug Administration.

More WPP-Scali talks set

LONDON—Scali, McCabe, Sloves Chairman-CEO Marvin Sloves met here July 20 with WPP Chief Executive Martin Sorrell to discuss Scali's impending buyback from WPP. Another meeting is tentatively scheduled for early next month in New York. But WPP financial executives have already told analysts they expect to get about $53 million for 50% of the agency early next year.

Fed Ex pulls ads on ABC news

MEMPHIS, Tenn.—Federal Express last week canceled indefinitely all its network buys during ABC news programming. The overnight courier company said it objected

(Continued on Page 8)

INSIDE

Reebok moving fast ..... P. 8
Shoe marketer plans to launch new products and an advertising blitz this fall.

Dining with Diller ..... P. 40
Jim Brady gets a closeup look at the man behind Fox TV during a casual lunch.

Marketers ticked off ..... P. 50
Lyme disease fears spur action by tourism officials and bug repellent makers.

Popcorn leaders make light moves

By Bradley Johnson and Julie Liesse Erickson

Orville Redenbacher and Betty Crocker, a couple of heavyweights in microwave popcorn, are lightening up the $420.5 million segment with lower-salt, lower-fat versions.

Beatrice/Hunt-Wesson, the top popcorn marketer, this month introduces nationally Orville Redenbacher's Gourmet Light Microwave Popping Corn.

General Mills, No. 2 in the market, follows the leader in September with the national launch of Betty Crocker Pop Secret Light.

Orville Redenbacher and Pop Secret dominate the microwave popcorn segment, which grew 22.7% to $418 million for the year ended April 21, according to Arbitron Co.'s SAMI report on warehouse shipments.

Microwave popcorn marketers in recent years have emphasized segmentation, including the introduction of butter, non-butter, salt-free and cheese-flavor products.

"With the microwave popcorn market saturated, it's logical that flanker brands are playing a more important role in the category," said Alan Miller, a SAMI consultant.

Beatrice/Hunt-Wesson said its Orville Redenbacher light extension contains one-third less salt, one-third fewer calories and two-thirds less fat than its standard line. The light variety uses less oil in popping.

General Mills said its light has half the fat of original Pop Secret. Although the line extension also contains less sodium, the company isn't promoting that fact on packages or in ads, a spokeswoman said.

Both light brands will come in butter and non-butter versions.

Although Beatrice/Hunt-Wesson is getting the distribution jump, the initial marketing assault may be more of a draw. Both companies plan network and spot TV campaigns this fall, supported by print ads and consumer promotions.

Ketchum Advertising, San Francisco, handles the $16 million Orville Redenbacher account. Agency for the $8 million Pop Secret account is Campbell-Mithun-Esty, Minneapolis.

Separately, Beatrice/Hunt-Wesson in September breaks the first major print effort for Orville Redenbacher in about five years.

The campaign plays off popular movie titles with such headlines as "The Light Stuff" for the light popcorn, "Pop Gun" and "Romancing the Corn." Mr. Redenbacher and his grandson, Gary, appear in garb appropriate to the movies.

Beatrice/Hunt-Wesson is trying to play off a natural association between popcorn and movies.

"It's almost a cultural icon," said John Faville, senior VP-director of account management at Ketchum. "We're just playing on a picture that's already in people's heads."

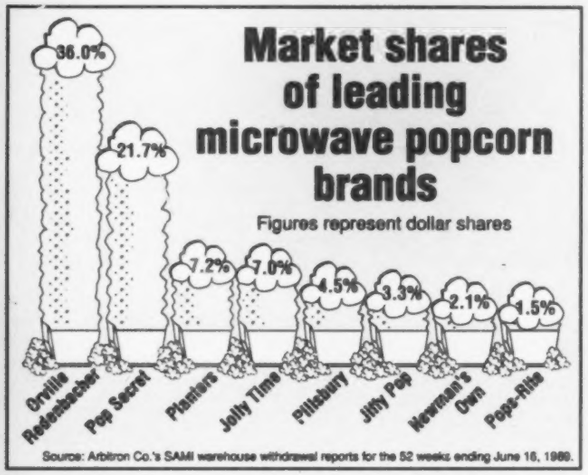
The ads, in stark b&w with a color product shot, will run in such magazines as *Family Circle, People, TV Guide* and *Video Review*.

About 10% of Orville Redenbacher's budget is going into magazine ads, Mr. Faville said.

This magazine effort and the introduction of light popcorn come at a time when both Orville Redenbacher and Pop Secret are seeing share growth in the segment.

Orville Redenbacher's share increased to 36% for the 52 weeks ended June 16 from 35.5% a year earlier, SAMI reported. Pop Secret jumped to 21.7% from 20.6%.

Microwave popcorn accounts for about half, or 142 million pounds, of total popcorn tonnage. Because the microwave products sell at a premium price, they account for three-fourths of dollar volume in the overall popcorn market, which SAMI valued at $560.4 million for the year ended April 21. □



John Hall

Riney bucks rumors that agency is for sale

By Joseph M. Winski

Hal Riney & Partners is not for sale, says Hal Riney.

"We're not trying to sell the agency," he said. "We are not contemplating a sale. I do not plan on selling the agency any time in the near future."

Mr. Riney, chairman-ceo of the San Francisco-based agency, said rumors and media accounts that have him trying to sell the shop are unfounded and "irresponsible."

He characterized the "talks" the agency reportedly has been having with potential buyers as a response to uninvited inquiries from parties assessing the agency's interest in being purchased.

"Yes, we have been contacted," he said. "We have talked to probably half a dozen agencies from London. When I say talked to [I mean] we have received telephone calls from various people in the business."

Mr. Riney said he hasn't had any face-to-face meetings with potential buyers within the industry, though he said James Travis, the agency's New York-based president, has had a couple of such meetings in the past 18 months.

Hal Riney: We're not for sale.

"When I get these things, I either ignore them or I just wait until they call back," Mr. Riney said. "I have three or four letters of what I would consider to be interest on my desk now, and I just simply haven't responded to them."

Only one approach, that of a non-agency investment group with whom he did meet, got as far as mentioning a specific transaction price, Mr. Riney said. "I don't think it was a firm or final offer," he said, but Mr. Riney indicated he and his partners weren't interested in any case.

He declined to name the investment group, saying it was "irrelevant."

The agency has received inquiries about its availability starting from "the day it was announced that we were no longer part of Ogilvy & Mather" in 1986, he said.

If anything, he said, interest has abated following the agency's acquisition of the $80 million General Motors Corp. Saturn account last year because of the conflict that business poses for other agencies with automotive accounts.

"Will we ever sell the agency?" Mr. Riney asked rhetorically. "We could, yes. If somebody wants to offer me and my associates here several billion dollars, why I think we probably would be quite interested." □

IN THIS ISSUE

A perfect match: Nissan will launch the first commercials for Infiniti during next month's broadcast of the U.S. Open. 4

Recruiting respect: Recruitment agencies have finally gained respect after struggling to boost their creative image. 12

Hanging in there: Consumer magazines beat industry predictions by producing strong midyear ad-page totals. 76

No brushoff: Revlon's acquisition of Tarlow isn't shaking clients' confidence in the agency. 79

Editorial 32
Forum 34
Letters 36
Brady's Bunch 38
James Brady 40
Rance Crain 40
The Next Trend 40

Automotive Marketing
An open letter to Roger Smith . . . luxury nameplates crowding the field, especially upscale minivans . . . the captains of the Big Three recall their first cars . . . and a look back on 25 years of marketing the Mustang.

Global Gallery 46

MEDIA
MediaWorks 52

PEOPLE
PeopleWorks 54
People Moving 38
Photo Review 60

Levi's aims for change but achieves repetition in the new "501 USA" campaign, in which the new setting can't override the funky Dektor "blues" style.

Calendar 70
Classified 67
For the Record 77
Index to Advertisers 82
U.S. NewsWatch 20

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Recruiting shops win respect

By Gary Levin

HELP WANTED: *Medium-size agency specializing in recruitment advertising seeks respectability and awareness for creating classified ads that help companies find employees. Phone calls welcomed.*

That might be an ad from any number of agencies working in a field long regarded as the arcane stepchild of the advertising business: recruitment.

Although they may lack the glamor and excitement of shops handling consumer products, recruitment agencies say they've come a long way in their struggle to be taken seriously as a creative force.

Recruitment, still predominantly a newspaper specialty, represents a $3.07 billion business for that medium as of 1988.

That's more than a threefold increase from the $894 million spent in newspaper recruitment ads 10 years earlier, the Newspaper Advertising Bureau says.

To capture revenue in what essentially has remained a 15% commission business, more than 100 agencies now list themselves as recruitment specialists in industry reference books.

But that segment of the agency business hasn't escaped the acquisition and consolidation trend.

Such agency conglomerates as New York-based Omnicom Group and London-based WPP Group have inherited or purchased major recruitment agencies as part of their broader buying binges.

J. Walter Thompson Co., now part of WPP, bought Worldwide Advertising, Los Angeles, in 1980 and Donahue & Associates, New York, in 1988. Last week, it signed a deal to acquire Anderson Fischel, Dallas, an $18.5 million recruitment agency.

Some of the larger shops also plan expansions into Western Europe as trading and employment barriers are lifted there in 1992.

"The industry is finally coming of age, although it's been around for a long time," said Timothy Robbins, president of Austin Knight Advertising, a London-based agency with a $50 million U.S. operation.

"Recruitment agencies are recognized much more nowadays as part of the professional advertising community," he said.

Historically, that's not been the case. Aside from big-budget TV recruitment advertising for the military—created by general agencies and not the specialists—creativity in this field was a rarity.

Rumors of kickbacks and double-billing—at least at one large recruitment agency—prompted a government investigation in the early 1980s that cast a cloud over the field.

"The industry has traditionally been characterized as a 'take-and-place' volume industry," said Donald Robertson, president-ceo of Thompson Recruitment Advertising, Los Angeles, a unit of JWT.

"The client would phone up, a person would take the ad, . . . not make any changes and get it to the newspaper," he said. "When I came here [in 1984], we had 15 creative people out of a staff of 350."

These days, said Bernard Hodes, president of the New York agency bearing his name, "we take a job description [from a client], and we will determine what should be said, where it should run, the size of the ad and how much money they should spend."

Industry executives say the change has come partly from a drastic labor shortage in several categories, ranging from nursing to high-tech professional jobs to fast-food restaurant help.

Increased competition among companies in those fields—and among agencies vying for their recruitment business—has created an atmosphere more akin to big-league general shops than ever before.

That development has helped recruitment agencies lure better creative talent.

But for all its progress, the recruitment ad business remains a different breed.

Here, corporate recruiters aren't looking for mass reach on a cost-per-thousand basis but rather an efficient "cost per hire," or the amount of advertising, interviewing time and other factors needed to find the right candidate.

For high-tech companies seeking scarce job candidates, the "CPH" can run into thousands of dollars for a single hire.

Unlike general agencies or even their counterparts in related marketing fields, recruitment agencies report to a client other than the ad director, making cross-referrals more difficult.

"Recruitment is outside the mainstream," said Mr. Hodes, whose agency now is part of Omnicom. "It's not like PR or direct marketing, where you share the same ad manager. Our client is the human resources director, so the general agency wouldn't be talking to them."

Still, Mr. Hodes reported that at least three clients—GTE Corp., Mobil Oil Corp. and Clorox Co.—were obtained through its connections to Omnicom.

The high-volume, quick-turnaround nature of the business is staggering. It's not uncommon for the largest agencies to handle 1,500 or more different clients, with each worth anywhere from a few thousand dollars to $10 million a year.

Bernard Hodes Advertising, whose New York nerve center is a frenzy of activity on Thursday evenings as the newspapers' Sunday help-wanted section deadlines approach, said it places 12,000 to 15,000 individual insertion orders each month.

Industry executives also say help-wanted ads are both more local in scope—keyed to areas where employers need help—and more subject to wild fluctuations based on the business health of a company.

As a result, one of an agency's largest accounts may dry up completely within a matter of weeks.

For example, Boston area employment is currently in a slump because of the computer industry shakeout there, while hiring in Texas has rebounded following the oil slump.

Recruitment ads are "a pretty good barometer of the economy," Thompson's Mr. Robertson said. "We tend to use it within JWT. If our business suddenly starts softening due to hiring freezes or cutbacks, three or four months from now we start hearing about client cutbacks or postponed advertising on the consumer side."

Despite the record amount of recruitment ad spending, the *number* of help-wanted ads placed has remained essentially flat during the past few years.

The Conference Board's index of help-wanted ad volume through May 1989 stands at 154, compared with 157 for 1988 and 153 for 1987. (The index, which measures the relative growth in ad volume, is based at 100 using totals from 1967, the year the measuring system began.)

Newspapers still account for 75% to 90% of all recruitment advertising, a fact not lost on publishers of metropolitan dailies, who depend on help-wanted ads for an average 9.8% of their total ad revenues, compared with 7.3% in 1978, Newspaper Advertising Bureau figures show.

"There's no doubt employment advertising has expanded along with other classified advertising and has become a formidable part of a newspaper's [business]," said Ira Gordon, VP-recruitment at NAB.

But direct mail, college campaigns, radio, and even TV and outdoor advertising are fast becoming major alternatives.

Domino's Pizza has enlisted TV to help find delivery workers, while defense contractors are using radio and TV in markets with a high concentration of its workers, such as San Diego.

The acute nursing shortage also has led some hospitals to use broadcast media to help increase their staffs where newspapers haven't proved effective.

Since 1987, McDonald's Corp. has been running TV commercials featuring senior citizens on their "first day" at the giant fast-food chain—a ploy to lure more seniors to its work force. □

Top worldwide recruitment agencies

Agency	Headquarters	1988 billings
Austin Knight Advertising	London	$300 million
Bernard Hodes Group	New York	$218 million
Nationwide Advertising	Cleveland	$185 million*
Thompson Recruitment Advg.	Los Angeles	$115 million
Bentley, Barnes & Lynn	Chicago	$56 million
Deutsch, Shea & Evans	San Francisco	$50 million

*Estimate. Source: *Advertising Age*

The Oregonian has the lowest CPM of any newspaper on the West Coast.*

If you'd like more information on one of the most cost-efficient advertising buys in the West, call John Mannex, General Advertising Manager, at (503)221-8302

The Oregonian

*Based on rates in effect 5/1/89. Sunday CPM #1, Daily CPM #2.

Kodak, Wendy's aid Games

NEW YORK—Eastman Kodak Co. and Wendy's International will be among the worldwide sponsors of the 1990 Goodwill Games in Seattle.

Kodak will sponsor the women's basketball tournament and get category exclusivity for several of its products, including film, film processing, copiers and professional photography.

Wendy's, in its largest-ever sports marketing commitment, will sponsor the women's volleyball competition.

The companies join Pepsi-Cola Co., Gillette Co., Anheuser-Busch's Budweiser, *Sports Illustrated* and Frito-Lay snacks as worldwide sponsors of the event.

The 17-day event will start on July 20, 1990.

Robert Wussler, exec VP at Turner Broadcasting System, organizer of the competition, said he expects the Goodwill Games will lose about $10 million in 1990 but break even or reach profitability by 1994.

The 1986 Games lost $26 million, he said. □

SPECIAL REPORT

Automotive Marketing

Edited by Anita M. Busch

Lap of luxury S-8, S-12
Unending array of top badges and growing number of upscale minivans crowd field.

Big wheels S-16
Wonder what captains of Big Three started driving? Out of Left Field, a new feature.

Pony ride S-18
Mustang: looking back on 25 years of marketing a mystique.

Lookin' for adventure S-22
How Kawasaki's Sunday drive down fantasy lane turns into marketing coup.

An open letter to Roger Smith

What would happen if GM broke its dependence on rebates and adopted policy of 'everyday low prices?'

Mr. Roger Smith
Chairman, General Motors Corp.
Detroit, Michigan

Dear Roger:

Have you been to Sears lately?

Sure, I know you've been busy. George Bush wants you to do more to clean up the air (what was the point of electing a Republican, anyway, you're wondering).

The guys on the shop floor are making noise about wanting the union to be a real adversary again, like in the bad old days.

And just when you thought you had contained the growth of Toyota and Honda, a dollar run-up vs. the yen has them revving again.

It wouldn't surprise me if you've been too preoccupied to get down to your neighborhood Sears for that new lawn mower, or that garage-door opener for the Buick.

So there's a good chance you missed what's going on. Sears is calling it "Everyday low prices," the retailer's attempt to curb its reliance on promotional sales.

There are enough parallels between Sears and General Motors—and enough similarities between department stores' repetitive sales cycles and automakers' rebate madness—for you to consider following Sears' price strategy.

I suggest you call it "GM's everyday *real* prices."

Not too many customers believe your sticker prices are real. At least not any more than those who believe Sears wouldn't have another sale on washers and dryers.

Sears found out that "regular sales" was an oxymoron, as far as the consumer is concerned. There is nothing special—and hence, no genuine consumer lure—about a sale that happens all the time.

Sears' customers had figured it out, and if they missed this week's sale, well, they'd just wait until it came around again.

Roger, we all know you're close enough to start counting down the number of 10-day sales reports until retirement. But, perhaps, you're seeing something else in those reports: the old downward spiral that all your rebates and low-interest loans can't reverse.

As I write this, GM's car sales this year are down more than 9%, and truck sales are down about 3%.

Once, consumer incentives were a smash hit. When you came up with "The Big One" to clear out your 1986 models, you and the rest of the industry set sales records that will stand for a long time. But that happened precisely because 2.9% financing really was different.

Most car buyers soon figured out that you'll keep coming back with low interest rates or cash back to stimulate sales. You figured out that the consumers figured this out, and so you've raised your prices so that you can afford to put on the sale. And now, most car buyers have figured out that you figured out that they figured you out.

Tom Bachtell

Back in 1986, they could get a 1986 Oldsmobile Cutlass Ciera for as low as $10,153. A base 1989 Cutlass Ciera runs $11,695. That's $1,542 more, but you're offering the customer a rebate of $800. Even after the rebate, the price is up 7.3%.

A V-6 Chevrolet Cavalier Z-24 went from $8,878 in 1986 to $11,325 currently, of which you'll rebate $600. You're bending the car's sheet metal differently than in 1986, and the issue gets muddied because you make certain formerly optional equipment standard. But it's still a 20.8% increase, after rebate.

It may be difficult to prove exactly how much your prices went up if the optional/standard equipment argument is factored in, but it's not hard to see that the combination of price increases/price rebates has caused massive buyer cynicism.

Notice, though, that positive things happened when Sears went to "everyday low prices." It created a lot of chatter in the media and with the public, and it brought in a lot of customers to take a new look at the store.

Like Sears, GM is uniquely positioned to pull off a return to realistic pricing. Both companies are No. 1 in their categories.

Ford and Chrysler aren't big enough to pull it off. You're the only one who can lead the way in getting the industry "off the dope" of sales incentives, as Lee Iacocca put it.

Take what you're offering in rebates, knock it off the price and promote it big. "The *Real* Big One," you could call it. Your dealers could still have their occasional sales, but they would be true sales.

Those dealers—who could develop realistic plans for sales and inventory—would be thrilled. Your ad agencies, who would be able to concentrate on building your brand image instead of touting your latest giveback, would be delirious.

Your customers would bless you.

It must seem like forever since that's happened.

Best regards,
Raymond Serafin
Plymouth Voyager owner

BAROMETER

Take a number:

Automaker	Ad spending ($ in millions)	Total car & truck sales (in thousands)
GM	$948.9	5,563
Ford	437.0	3,811
Chrysler	369.7	2,208
Toyota	191.0	936
Honda	177.1	769
Nissan	177.3	642

Source: *Automotive News*, 1989 Market Data Source Book, BAR/LNA, Radio Expenditure Reports

Take the pulse:

Many consumers make their car-buying decisions on price and color. But if it's close, the name often cinches the deal.

Suzuki Samurai . . . A great name for the adventurer, especially in the corners.

Nissan Pulsar NX . . . Is this a watch or a car? Painfully narrow seats may have been designed by 98-pound timekeeper.

Chrysler New Yorker . . . Would anyone west of the Hudson aspire to this?

Yugo . . . Seems to mean ready transportation, but a 35.4% sales slide in 1988 translates more like "You-went."

Mazda MPV . . . Obscure-letter names becoming more popular than obscure-number names. But this one sounds like a Moon-mobile.

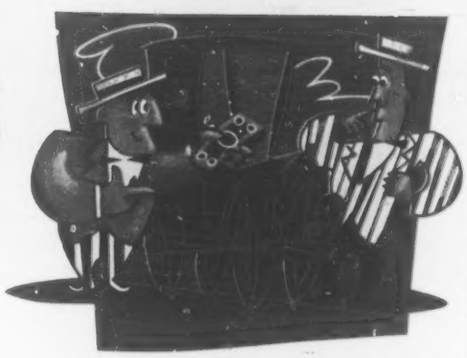
VW Golf . . . Sounds very clubby, but a foursome with their sticks won't fit. Take the Club Cab.

Jeep Wagoneer . . . "Wagon Train's" Ward Bond would have loved it, especially with Jeep Cherokees circling the neighborhood.

Chevy Corvette . . . Now heading into its fifth decade despite a cramped cockpit and negligible trunk space. But it's worth it to be able to say you've got a 'vette.

Veteran of rebate wars lays blame at consumers' feet

Why is it so hard to break the cycle? Car rebates have been used so long they've become self-perpetuating, even infecting the Japanese



"We have 'appliance-ized' the auto industry," claims L.R. Windecker, retiring in July after 42 years in the business.

Ford Motor Co.'s former research and analysis manager/public affairs has seen rebates and incentives come and go over the years. In that time, "We have brought the automobile business to full cycle, much in the same way that the appliance business is conducted," he contends.

Customers have come to see rebates and incentives as a normal way of doing business . . . So the possibilities of the removal of rebates as a marketing tool over the next 10 years is very slim.

The result is a vicious spiral from which automakers have yet to figure an escape route. Advertising Age *talked to Mr. Windecker about the state of rebates and, most important, will rebates ever come to an end?*

By L.R. Windecker

Rebates have been with us since the first time a Roman chariot dealer threw in the canopy top with the special three-horse chariot.

I have no historic proof of that, but I have no doubt it occurred.

Consumer rebates and incentives have been with us for years, but far less consistently than dealer incentives and far more infrequently until a few years ago.

Ford Motor Co. offered rebates in the 1914-1915 era. I can barely remember a day when there was not some form of dealer incentive.

Will rebates ever come totally to an end? No.

It isn't so much a matter of weaning the auto companies away from rebates. It's a matter of weaning the customers away from them.

Customers have come to see rebates and incentives as a normal way of doing business and would be more than slightly irked if they were unilaterally withdrawn. So the possibilities of the complete removal of rebates as a marketing tool over the next 10 years is very, very slim.

Will the Detroit-based manufacturers become more dependent on incentives than they are? Not necessarily, and only marginally.

There's a great belief that the domestic industry and some of the importers and "transplants" are having a very difficult year.

Now the oddity is that in the beginning of the year, everybody said sales would be 15 million to 15.2 million, depending on economic changes.

So far this year, the industry is running at a 15 million rate for combined car and trucks January through May—right where everybody said it would be—but yet, this is considered to be a disaster by some analysts.

Because of the economy, there was no doubt in anyone's mind that automakers' marketing efforts would have to be more active this year to keep sales close to last year's.

Illustrations by Steve Musgrave

The subcompact segment is now prone to rebates, with small car sales suffering in March, April and May.

Ford's subcompact sales are down 6%, from January through May; the industry subcompact sales were down 13% those five months. As a result, the segment is requiring more marketing attention than we expected.

The fact that the mainstream Japanese automakers have come into the incentive business is a recent occurrence. The inclusion of the larger Japanese companies is more a reflection of their maturing as a marketer in the U.S. and the world.

A growth industry that does not have the production capability to keep up with its true demand has no need for incentives, and that's the position the Japanese were in for many years.

Now, as a maturing industry, they are looked upon as just another car manufacturer. Therefore, they will take on the sales tactics, positions, attitudes and actions of the "mature" domestic manufacturers to protect their market share.

People say, "Why don't you just simply cut your production schedules?" Well, parts are ordered months in advance and it is often far less expensive to build and sell the vehicle and pay incentives than it is to pay obsolescence.

If one company cut their prices across the board, let's say $500, everybody would say, "Gee, they're nice people." About three weeks later their customers would be in dealerships asking for rebates and the dealers couldn't give them because the automakers already would have given the money away through price cuts.

No one company unilaterally can bring the change. If *every* auto company said, "Today is our last day for incentives—period," sales would be very low tomorrow. But within four to five months they would be back to normal and would continue at a normal level.

There is no evidence that incentives have increased automotive sales to any significant degree. The rationale is very simple: If somebody is in the market to buy a car, a rebate may make them buy more quickly. But if you're not in the market for a car, incentives and rebates are not going to make you buy one.

Frankly, no one company nor the industry at any one time wants to take the rap—that four-month downturn—that it would take to get rebates and incentives out of the system.

What would it take to end incentives?

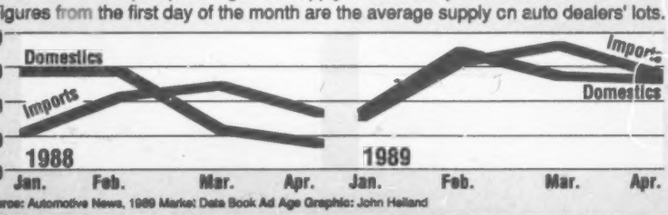
It would take a 17 million-car-and-truck-sales year. In other words, automakers would be stretched to capacity and just not give rebates/incentives.

But you have to be selling about 17 million a year.

With the economy the way it is, I don't see that happening. □

Lost on the lots

Domestic and import passenger car supply for the first quarters of 1988 and 1989. Figures from the first day of the month are the average supply on auto dealers' lots.



Source: Automotive News, 1989 Market Data Book Ad Age Graphic: John Holland

400,000 units or $400 cash back, whatever comes first

Top selling U.S. passenger cars and rebate programs in 1988

Model	Sales	Rebate	Time period*
Ford Escort	$387,815	$400	July-December
Chevrolet Corsica/ Baretta	380,301	400/600-800	January-September; again in December
Ford Taurus	374,627	500	July-December
Honda Accord	362,663	None	
Chevrolet Cavalier	306,267	300-600	January-September; again in December

Source: Automotive News/Ford Motor Co., Chevrolet Motor Division, Honda North America

Senior-slanted media reap auto bounty

Buying power of market wakes up carmakers

By Adrienne Ward

The mature market is coming of age, and automakers—like they did with the women's market several years ago—are slowly recognizing older consumers' potential.

"It took automakers 10 years to wake up to the purchasing power of the women's market," says V. Kevin Ford, national ad director at *Mature Outlook* "I think history will repeat itself. But this won't be as difficult a market for [automakers] to go after," because the media-buying options for magazines in the mature market are fewer and more targeted than in the women's market.

"I have a hunch most major auto corporations are starting to recognize the wealth of the mature market," says Peter Hanson, ad director of *Modern Maturity*. "Either that or our rep in Detroit has done some serious selling."

Modern Maturity's auto ad pages have increased 86.6% so far this year, compared with its overall ad growth of 12.6%.

According to Ina Josephson, national sales manager, the magazine ran only six auto ad pages in August/September 1988 issue. This year *Modern Maturity* is running 11.2 auto pages for the same time period, translating in an 111.8% increase in gross ad dollars in one year. "Last year August/September we were just shy of $1 million, this year for the same time period we're just shy of $2 million," says Ms. Josephson.

Other mature-market publications are on the crest of this trend, too. *Mature Outlook* has run 10 car ads so far this year, all from General Motors Corp., up from none last year. And at *New Choices* in the past year, the number of auto ads has doubled to 24 pages, according to Richard Thorne, associate publisher-ad director. "Next year [auto ad pages] could very well increase by approximately 50%," he says.

Today, automakers can no longer ignore any potential group of buyers, insiders say.

Chevrolet will introduce a 1991 Caprice model in fall 1990 with several options designed specifically for the older consumer. Options available are left and right power seats with improved seat comfort and lumbar support and larger lettering for the radio, instrument and climate control panels. The new model will also feature knobs instead of buttons on the radio, and white lettering on the instrument panel for better night vision. In addition, internal surveys at Chevrolet found that the mature car buyer preferred chrome in the styling, so the new model will have chrome on both the door and instrument panels.

"As the auto market becomes more competitive, you find manufacturers seeking out as many opportunities as possible. One of those now is the mature market," says Chris Cedergren, senior auto analyst at J.D. Power & Associates.

The mature market is definitely one the industry has to reckon with: A *Newsweek* study says that 25% of new car buyers are age 55 and up, while the U.S. Census Bureau reports households headed by adults over age 50 have annual incomes totaling more than $250 billion.

Mature adults are 63 million strong, and by 2025, that number will soar to more than 113 million.

The majority of mature adults buy domestic automobiles today *(see chart at right)*.

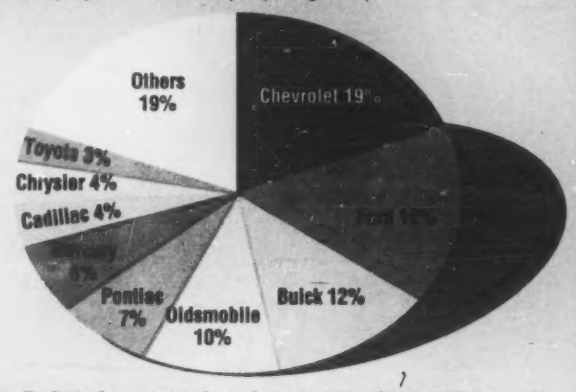
The average age of a large-car buyer is 60, with an average annual income of $42,000, according to Simmons Market Research Bureau.

GM's Oldsmobile division is no stranger to the mature market. Ten percent of mature car owners buy Oldsmobiles; their average age is about 50. But Oldsmobile is driving on rough terrain with its latest advertising effort, "A New Generation of Olds," geared toward attracting

(Continued on Page S-22)

The heartbeat of America's mature market

Ownership by car division of people age 50-plus



Source: The Golden Generation, from Custom Studies, a division of Simmons/MRB Group, 1989
Ad Age Graphic: Jonn Helland

Find out why so many auto advertisers are actually asking to see this presentation.

This new MPA presentation is one of the most talked-about in car marketing history. It's a revealing, fresh look at the concept of "media mix."

Using published data from PIB, LNA and *Automotive News*, this analysis examines passenger car sales and share data for 12 domestic and 12 imported cars during the 1979 to 1988 period. In some years, automakers used television-dominated mixes; other years, a more evenly balanced combination of magazines and TV.

The result: with convincing—you might even say startling—regularity the *combination* media years turned out to be the successful sales years.

In just a few weeks, "The High Performance Option" has become our most-requested presentation ever. For a copy of this report—or to schedule a presentation—call MPA's VP/Automotive Marketing, Charlie Lee at 1-800-7-MPA-AUTO

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PARTING SHOT

Sunday drive down fantasy lane turns into marketing coup

'Pulling dates out of a hat' for ads, Bozell, Kawasaki end up with big biker events

By Cleveland Horton

It may be a case of life imitating advertising.

What began as an attempt to convey the wholesome enjoyment of Sunday motorcycle outings in print ads inadvertently became a very real cycling event, surprising ad creator Bozell, Los Angeles, and its client Kawasaki Motors Corp. USA.

The first "event" occurred almost spontaneously earlier this year, after the first of a four-ad campaign ran in several cycle enthusiast magazines. The ad focused on Marcus Dairy, a popular biker weekend meeting spot in Danbury, Conn.

The agency, under the direction of Senior VP, Creative Director Scott Young, commissioned Bruce Wolfe, an illustrator and former agency art director, to create watercolor paintings of four popular weekend gathering places for bikers.

Mr. Wolfe traveled to each location and then created a realistic painting, capturing the mood of the setting with only minimal attention to promoting Kawasaki hardware.

"We wanted a very realistic rendition, not a Norman Rockwell," says Parish Wood, VP-management supervisor at Bozell. The paintings represented a risk, he says, "because everyone is selling hardware, chrome and paint. Most [advertisers] like to see their product. But the artwork worked better than a photograph, purely for image."

To lend further realism, each ad mentioned a specific future date of a make-believe gathering. The dates were selected almost at random by the agency, the only criteria being they fall on Sundays and in the traditional motorcycling seasons of late spring to early fall. The first ad used April 16 as the fabricated date.

Meanwhile, the copy of that ad waxed poetically about the pleasures of a Sunday drive: "The big V-twin coughs, grunts like an old bear on a cold morning, kicks over and idles down to a steady rump, rump, rump as it warms up. There's no place on earth colder than a still-dark Sunday morning in a New England spring."

The ad makes only one, somewhat begrudging, reference to a Kawasaki model, the Vulcan.

The unconventional approach apparently struck a responsive chord among the two-wheel set. Bikers, seeing the ad first in February, responded quickly, calling Marcus Dairy and Kawasaki to learn details of a rally planned for April 16.

Seizing the marketing opportunity, Kawasaki got together with some of their local dealers and hastily arranged an event to fit the ad. It drew about 7,500 bikers, including one of the richest bikers in America, media mogul Malcolm Forbes.

According to Michael Vaughan, director of marketing communications at Kawasaki, the company was "stunned" by the response to the initial ad. "It wasn't surprising that the number of people showed up at Marcus Dairy, it was surprising that somebody thought we were doing something," he says. "We just pulled the dates out of a hat."

Skeptics may suggest the turnout at Marcus Dairy was simply a fluke. However, the second ad, featuring Alice's Restaurant in Woodside, Calif., had a similar effect June 8.

This time, Kawasaki was better prepared. Working again with local dealers, Kawasaki managed to create a festive event at the location, including product demos and giveaways. The June meeting attracted about 3,500 bikers, more than 10 times the usual number of motorcyclists who visit the restaurant on any given weekend.

The company plans two more ads to complete the campaign: one features Lake Pepin in Minnesota on Aug. 6; the other focuses on Giuseppe's Depot Restaurant in Colorado Springs, Colo., on Oct. 1.

The Minnesota rally may be the toughest to stage, because there is no single meeting place—the focus of the ad is the Great River Road.

Mr. Vaughan says the company will continue with the campaign for another year. "We got a lot of positive response. We'll spin it one more time." He says the company will try to keep the events going on an annual basis at the current locations, while adding new sites. □

Kawasaki Motors ad by Bozell for a make-believe rally at Alice's Restaurant in California was real enough for 3,500 motorcycle enthusiasts who showed up.

Media

(Continued from Page S-21)

younger consumers.

"We want to hold on to those [older] folks but at same time reach out to people in the under-50 age bracket—bridge the gap with two generations," says Warren Christell, Oldsmobile general marketing manager. "Our products can appeal to both generations. And we are able to target each line within an overall umbrella."

There are skeptics of this plan, however. The GM division faces a "major dilemma" with its "New Generation" effort, Mr. Cedergren says.

"They have to redesign cars in such a way that it's appealing to both age groups. It's going to be real, real difficult. Chances for failure are greater than for success."

Sales figures back Mr. Cedergren's contention. Despite often favorable reviews of "New Generation" and an estimated $120 million in ad support, Oldsmobile division sales were down 13% for the first five months of 1989, compared with the same period last year.

Oldsmobile's dilemma is no different from the one all marketers face as the baby boom grows up: How to lure older consumers without alienating younger buyers.

The auto industry is reluctant to single out the over-50 market in ad efforts—for good reason. As Mr. Cedergren puts it: "No one wants to drive an old-person's car."

American Honda Motor Co. rarely uses people in its ads, says Gerry Rubin, president of Honda agency Rubin Postaer & Associates, but it does include gray-haired passengers in one Honda Accord LX spot.

"But the ads are not ads that say 'This is for the mature market,' " says Mr. Rubin. "The ads say 'This is for you, whoever you may be.' "

He says the concept behind the ad, which features four adults who appear to be in their 50s, was to address the concerns of older car buyers, such as spaciousness, seat control and comfort. "But we're not direct in saying that this car is easy on your back or easy to get in and out of, because [mature adults] don't want to be associated with these characteristics."

Chevrolet takes a different approach in reaching older adults.

In a recent issue of *Modern Maturity*, the GM division touts a "Heartbeat of America" print ad that shows a young man loading piano keyboards into the hatchback of his Corsica. It is the same ad that ran in several mainstream publications.

"We run ads like the Corsica hatchback [in mature-market publications] because it's a good car for carrying things," says Dannielle Colliver, ad manager-passenger cars for Chevrolet.

"Mature adults tend to have more travel time, and they want trunk space," she says.

Most of *Mature Outlook's* auto ads, all from GM, are product shots, with no suggestion of youth or age, Mr. Ford says.

"They're smart in not using models that don't represent the marketplace," he adds.

Mr. Hanson cringes when asked if auto ads should be specially designed to reach older consumers, including larger type and different color schemes. "They're not all blind," he says.

Automakers may be forced to make fundamental changes in ad strategies to keep up with the interests of the baby boom.

"They will have to change," Mr. Cedergren says of auto advertising. "Certainly they will focus more on lifestyles that this new generation will have. But they won't just target old people, they will have to appear generic." □

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JWT leader in Latin America

By Julie Skur Hill

J. Walter Thompson Co., accustomed to Latin America's economic instability, came out on top in *Advertising Age's* first ranking of the region's agencies.

New York-based JWT achieved 1988 gross income of $45.7 million on billings of $286.8 million for Latin America.

The rankings are based on gross incomes of 11 agencies in 22 countries, adjusted, in the case of agency networks, to reflect the percentage of equity that the network owns.

JWT has offices in 19 Latin American cities; its first Latin office opened in 1929 in Buenos Aires. The agency's policy is to own 100% of international offices or as much as permitted by national laws.

It achieved the top spot despite losing Ford Motor Co. business in Brazil and Venezuela two years ago (AA, Dec. 21, 1987). JWT kept Ford business in Mexico and Argentina.

Of the top 11 agencies, seven have roots in the U.S. and one in the U.K. The others—No. 3 MPM Propaganda, No. 4 Salles/Inter-Americana and No. 8 Duailibi, Petit, Zaragoza Propaganda—are based in Brazil.

Although the Brazil-based agencies don't have representation in more than one country, their dominance in Latin America's largest market gave them enough clout to make the ranks. MPM is an affiliate of Grey Advertising, New York.

Latin America represents 1.6% to 8.2% of the multinational agencies' total gross income worldwide—an indication of how tough it is to make money in this region.

Because of the extreme fluctuations in Brazil's currency, *Ad Age* has updated the exchange rate used in the March 29 Foreign Agency Income Issue from 0.00825, based on average rates from November 1987 through October 1988, to 0.0026, from January 1988 through December 1988.

Policies of owning as much of an international office as permitted by local law also helped No. 2 McCann-Erickson Worldwide, No. 5 Ogilvy & Mather, No. 6 Leo Burnett Co., No. 7 Young & Rubicam and No. 9 Lintas:Worldwide rank high.

One exception is at Y&R, which, despite its overall policy, owns only 68% of Fischer, Justus, Young & Rubicam, Sao Paulo, its largest Latin office. The rest remains in the hands of the Brazilian partners. Brazil permits foreigners to own up to 100% of an office.

FCB-Publicis, the international alliance formed earlier this year between Foote, Cone & Belding, Chicago, and Publicis, Paris, ranks No. 10. The groundwork for this network was laid in 1984, when FCB purchased a majority of the Siboney network in Latin America.

At No. 11, Saatchi & Saatchi Advertising, London, closely following FCB-Publicis, is eager to propel itself into Latin America's top 10. The European powerhouse failed in an attempt to buy ALMAP in Brazil and Ferrer Publicidad and Iconic in Mexico, the region's second-largest market. □

Who's on top in Latin America

Rank	Agency	1988 Latin American gross income	1988 Latin American billings	1988 Latin American gross income as % worldwide	1988 Latin American billings as % worldwide	Top Latin American office in '88 billings
1	J. Walter Thompson Co.	45,653	286,796	8.2%	7.4%	J. Walter Thompson Publicidade, Sao Paulo
2	McCann-Erickson Worldwide	42,377	282,662	6.5	6.5	McCann-Erickson Publicidade, Sao Paulo
3	MPM Propaganda	31,852	100,151	100	100	MPM Propaganda, Sao Paulo
4	Salles/Inter-Americana de Publicidade	28,019	137,495	100	100	Salles/Inter-Americana, Sao Paulo
5	Ogilvy & Mather Worldwide	21,170	90,149	3.3	2.2	Standard, Ogilvy & Mather, Sao Paulo
6	Leo Burnett Co.	21,021	140,157	4.9	4.9	Leo Burnett Publicidade, Sao Paulo
7	Young & Rubicam	18,569	123,856	2.5	2.3	Fischer, Justus, Young & Rubicam, Sao Paulo
8	Duailibi, Petit, Zaragoza Propaganda	17,818	71,292	100	100	DPZ, Sao Paulo
9	Lintas:Worldwide	13,989	93,299	2.6	2.6	Lintas:Brasil, Sao Paulo
10	FCB-Publicis	12,723	84,885	1.9	1.9	FCB, Isla Verde, Puerto Rico
11	Saatchi & Saatchi Advertising	12,086	80,594	1.6	1.6	Badillo, Saatchi & Saatchi, San Juan, Puerto Rico

Figures are in thousands. Figures for all Brazilian agencies were restated using a different exchange rate from that in the March 29 issue of *Advertising Age*. The exchange rate used for this chart is 0.0026 (covering January 1988-December 1988).
Percentages of change from 1987 to 1988 are not given for gross income and billings because of the volatility of the Latin American financial situations.
Source: *Advertising Age*

Olivetto moves away from GGK in Brazil

By Rik Turner

SAO PAULO—Brazilian adman Washington Olivetto and two partners have bought out Swiss-based GGK's majority stake in W/GGK for an estimated $1.5 million to $2 million and renamed the agency W/Brasil.

However, Mr. Olivetto, formerly president of W/GGK, isn't breaking all ties with GGK. Peter Erzberger, director of GGK's international board, said the agency has a new joint venture with Mr. Olivetto to operate a new GGK agency here.

Mr. Erzberger said this agency will be controlled by GGK and that Mr. Olivetto will be involved separately from W/Brasil. He declined to reveal the percentages held by the partners.

Mr. Erzberger said the deal developed because W/GGK, as part of a foreign-owned agency, was barred from handling state-owned companies' accounts that go only to local agencies. With W/Brasil, Mr. Olivetto will have more freedom to pursue new business.

Mr. Olivetto, however, said he and his partners, directors Javier Lussa Ciuret and Gabriel Zellmeister, believed all but one of W/GGK's 27 accounts were won on Mr. Olivetto's high reputation and the agency's creative work—not because GGK handled the companies' accounts elsewhere in the world.

"The association with GGK was not bringing us accounts here because they are strong in Europe but not elsewhere, and a number of their clients are either not present in Brazil or are not major presences in the country," Mr. Olivetto said.

W/Brasil will take 26 of W/GGK's accounts, including Grendene female footwear, Valisere lingerie and Bombril household cleaning products. GGK will keep the Swissair account, which it handles in several countries, he said.

Mr. Erzberger denied GGK had brought only Swissair to the agency, but he couldn't list other clients GGK had introduced.

Mr. Olivetto said W/Brasil should finish 1989 with billings of about $50 million and GGK, $1.2 million.

Titles at W/Brasil and the new venture haven't been determined.

Brazil may not be the only stop for W/Brasil, of which Mr. Olivetto is the majority shareholder.

Moves into other countries would be similar to what GGK did in Brazil with Mr. Olivetto—find a renowned local professional in a given country and form a partnership.

In fact, the name W/Brasil was chosen in part because of its adaptability, for instance, W/Espana. Spain is particularly attractive because "the advertising business is developing there, and their kind of ads have much in common with ours," Mr. Olivetto said.

He added that he's not looking for any multinational partners.

GGK, meanwhile, is expected to pick up several Brazilian accounts earlier turned away by W/GGK because they had billings of less than $1.5 million—the minimum the agency would handle, he said.

Mr. Olivetto took W/GGK from No. 18 in 1986 to No. 12 in 1988.

W/GGK has received international recognition by winning two gold and five bronze Lions at last month's International Advertising Film Festival. □

Laurel Wentz in London contributed to this story.

Nestle makes Brussels cooler

BRUSSELS—Nestle this month started testing Tea Cooler, a tea-based beverage mixed with orange and passion fruit juices.

If the test here is successful, Nestle plans a national rollout by yearend, sources say.

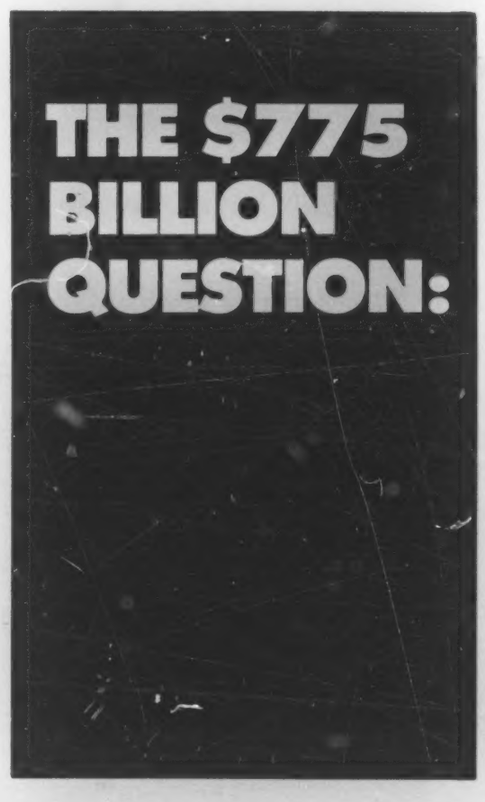
Nestle picked an ideal summer to sell coolers, with May and June temperatures in Belgium ranking among the highest in the century.

A wine cooler introduced by Seagram International two years ago failed miserably. High excise taxes on the beverage forced prices up. Tea Cooler, which is non-alcoholic, won't be subject to these taxes.

Pierre Detry, senior product manager for coffee products, including Tea Cooler, at Nestle Benelux headquarters here refused to comment.

Tea Cooler is sold at supermarkets in 33-centiliter cans. A package of four costs about $2.

Gabarski V/RSCG has developed point-of-purchase displays and plans a TV spot on commercial French-language channel RTL/-TVI. About 85% of Brussels' population is French-speaking. □



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Consumer books end strong 1st half

By Patrick Reilly

Monthly consumer magazines turned in overall strong advertising performances in the first half of 1989, with general-interest titles *Life* and *Vanity Fair*, leading the way.

Life totaled 408 ad pages, a 34.3% increase from a year earlier, while *Vanity Fair* continued its double-digit growth pattern with 628 pages, a 27.4% increase.

The strong performance by several major magazines (AA, July 17), based on figures from Publishers Information Bureau, contradicted earlier predictions from industry forecasters that 1989 would difficult for growth.

Several women's service monthlies were strong performers: *Ladies' Home Journal*, 780 pages, up 25.3%; *McCall's*, 561 pages, up 22.5%; *Family Circle*, 992 pages, up 13.8%; and *Woman's Day*, 879 pages, up 12.8%.

A wide selection of special-interest monthlies also showed large gains.

Conde Nast Traveler continued its growth with 461 pages, a 51.3% increase, as did travel category leader *Travel & Leisure* with 770 pages, up 11.1%. *Bride's* totaled 1,726 pages, up 14.4%, while *Modern Bride* reported 1,324 pages, a 17.2% increase.

Premiere reported 369 pages, a 50.3% increase, while *Lear's* had 319 pages, a 160% increase.

Weeklies' performance was mixed. *Time* was impressive with 1,350 pages, up 12%. *U.S. News & World Report* continued its growth with 925 pages, a 3.8% gain. Falling off the pace was rival *Newsweek* with 1,176 pages, down 0.5%.

Other strong weekly performances came from *People*, up 9.4% to 1,879 pages. *Business Week's* pages rose 7.6% to 2,229. The tabloid *Star* reported a 31% gain to 293 pages. *Sports Illustrated's* advanced 0.9% to 1,489 pages.

Disappointing performances were turned in by *New York Magazine*, with 1,405 pages, a 7% drop, and *The New Yorker*, with 993 pages, down 9.9%.

TV Guide totaled 1,606 ad pages, a 7.6% decrease. Executives there said the descent will probably continue through the year because the magazine has ended its longstanding policy of trading ad space to local TV stations in exchange for commercial airtime to promote weekly newsstand issues.

Magazines published every two weeks also performed well, with no declines for any titles listed by PIB.

Fortune totaled 1,640 pages, up 14.3%, while rival *Forbes* reported 1,666 pages, a 6.5% increase. *Rolling Stone* reported a 8.4% increase to 959 pages, while sister publication *US* totaled 375 pages, a 20.1% increase. *Soap Opera Digest* had 234 pages, a 65% increase.

Among Sunday magazines, *Parade* had 357 pages, a 9.2% increase, while *USA Weekend* totaled 304, up 4.1%. *The New York Times Magazine* logged 1,911 pages, down 1.6%. □

Magazine ad-page leaders

Publishers Information Bureau figures for January through June.

Rank	Magazine	Pages	% chg
1	Business Week	2,229.69	7.6
2	People	1,879.73	9.4
3	Bride's	1,726.12	14.4
4	Forbes	1,665.54	6.5
5	Fortune	1,639.82	14.3
6	TV Guide	1,606.52	(7.6)
7	Vogue	1,510.08	3.3
8	Sports Illustrated	1,488.81	0.9
9	New York Magazine	1,405.11	(7.0)
10	Time	1,349.66	12.0
11	Modern Bride	1,324.00	17.2
12	Cosmopolitan	1,189.72	1.3
13	Newsweek	1,175.92	(0.5)
14	Economist	1,135.63	(0.4)
15	Elle	1,038.07	2.3
16	Glamour	1,011.68	(0.6)
17	GQ	1,005.20	9.4
18	The New Yorker	993.27	(9.9)
19	Family Circle	992.41	13.8
20	Rolling Stone	958.96	8.4
21	U.S. News & World Report	924.93	3.8
22	Architectural Digest	907.93	1.4
23	Entrepreneur	903.77	53.1
24	American Way	896.95	7.0
25	Woman's Day	879.35	12.8
26	Yachting	851.44	(5.5)
27	Sunset	843.12	(1.1)
28	Mademoiselle	819.15	(4.2)
29	Muscle & Fitness	805.07	1.3
30	Ladies' Home Journal	780.14	25.3
31	Good Housekeeping	778.21	4.6
32	Golf	774.07	28.4
33	Travel & Leisure	770.30	11.1
34	Golf Digest	750.72	0.5
35	Town & Country	749.35	(0.8)
36	Better Homes & Gardens	735.11	5.6
37	Parents	730.20	15.1
38	Southern Living	712.71	(8.0)
39	Skin Diver	705.31	0.7
40	W	682.04	5.5
41	Car & Driver	678.52	0.9
42	Bicycling	671.70	(0.9)
43	Seventeen	667.25	0.8
44	Self	662.36	8.2
45	Road & Track	635.37	3.8
46	Money	635.25	(9.8)
47	Harper's Bazaar	633.36	(0.6)
48	Vanity Fair	627.95	27.4
49	Metropolitan Home	616.10	17.1
50	Ebony	615.75	(1.4)
51	Texas Monthly	614.44	(2.4)
52	San Francisco Focus	613.20	8.9
53	Esquire	602.05	15.3
54	Gourmet	593.98	(2.4)
55	Inc.	577.57	9.2
56	Popular Science	577.24	33.9
57	Country Living	575.25	9.3
58	Hot Rod	572.29	(2.0)
59	Jet	572.01	(10.3)
60	McCall's	561.35	22.5
61	Redbook	559.58	(8.2)
62	Reader's Digest	550.97	(14.1)
63	Motor Trend	546.63	3.1
64	Black Enterprise	545.02	0.7
65	Working Woman	537.73	(3.8)
66	New Woman	534.21	1.7
67	Bassmaster	530.78	(4.5)
68	Outdoor Life	526.07	4.4
69	Popular Mechanics	521.46	2.6
70	Smithsonian	520.09	(3.2)
71	Field & Stream	515.22	(6.3)
72	Bon Appetit	490.58	3.9
73	Four Wheeler	490.36	(8.1)
74	Popular Photography	485.00	3.4
75	Connoisseur	470.79	(8.7)
76	Conde Nast Traveler	461.36	51.3
77	Delta Sky	458.61	(5.1)
78	Essence	456.81	0.9
79	House & Garden	444.87	(21.2)
80	Art & Antiques	431.72	4.4
81	Working Mother	427.03	8.0
82	Sports Afield	421.05	(18.6)
83	Life	408.31	34.3
84	House Beautiful	407.35	(0.8)
85	Financial World	400.72	0.0
86	Shape Magazine	396.39	(22.4)
87	American Health	392.49	10.2
88	Tennis	391.74	(22.1)
89	M-The Civilized Man	386.79	(4.0)
90	National Journal	380.71	(12.8)
91	Playboy	375.96	18.8
92	US	375.08	20.1
93	Yankee	374.08	(18.4)
94	Food & Wine	372.55	18.3
95	Premiere	368.64	50.3
96	Omni	360.08	(0.9)
97	Home	357.45	(5.2)
98	California	357.42	(5.3)
99	Spectrum	353.61	(1.4)
100	1001 Home Ideas	347.21	4.6

Notes: Percent change is computed from January through June 1988 pages by PIB.
Source: Publishers Information Bureau

Denis Harvey, Vice-President, English Television, Canadian Broadcasting Corporation, is pleased to announce the appointment of Peter Kretz as General Manager, Marketing and Sales.

Mr. Kretz, who has a BSc from the University of Windsor and an MBA from the University of Western Ontario, joined the corporation in 1976 and has since held management positions in administration, marketing and sales. In his new capacity, he is responsible for the marketing department and 14 sales forces across Canada that handle CBC English Network, Corporate Sponsorship, CBC owned-and-operated stations and CBC Newsworld cable network. He is also responsible for CBC sales generated in the United States by Seltel Inc. This appointment is one of several changes made over the years to better serve the advertising community.

CBC Television

Snack attack

Whitman's relaunches candies

By Julie Liesse Erickson

Whitman's Chocolates is out to get a bigger piece of the snack candy market.

This fall, the company best known for its Whitman's Sampler chocolates is relaunching its snack candy line in Sampler-style yellow boxes, adding two new products to the line and cutting prices 21%.

The new products are fruit-flavored, chocolate-covered Tender Jells and milk chocolate Messenger Boys. Each of the eight varieties will be sold in 5-to-8-ounce boxes for $2.95.

"We recognized the need for high-quality, take-home-and-eat candies —and we wanted to serve those needs," said Rita Birnhak, director-marketing for the division of Pet Inc. "It's a much more competitive category, and we want to not only keep our old customers but grow our market too."

One key competitor in the bagged and boxed candy market, Jacobs Suchard USA's Brach's line, has been repackaged and reformulated (AA, Feb. 13). Suchard also this summer is adding Mint Patties and Mint Pearls to its Andes line of bite-size mints.

Whitman's relaunched line will be introduced in September.

The relaunch will be supported by Whitman's "All-Americana Sweepstakes," a September promotion offering a $10,000 dream vacation to the grand prize winner. Entry forms will be placed on 2 million packages of Whitman's candies; a two-week national TV campaign in mid-September will support.

H.S. Marketing Services, Englewood Cliffs, N.J., handled the promotion; advertising is done in-house. □

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